

ARIZONA STATE SENATE

Fifty-Fifth Legislature, Second Regular Session

REVISED

AMENDED FACT SHEET FOR H.B. 2456

<u>appropriation; rural interoperability communication system</u> (NOW: event wagering; temporary sports facility)

Purpose

Allows the Arizona Department of Gaming (ADG) to issue or renew an event wagering operator license to a professional sports team licensee or applicant if professional events are currently hosted at a temporary sports facility and the primary sports facility is under construction or maintenance or a new primary sports facility is under construction.

Background

In 2021, the Legislature authorized event wagering according to prescribed regulations administered by the ADG (<u>Laws 2021, Ch. 234</u>). The ADG may not issue more than: 1) 10 event wagering operator licenses to applicants other than Indian tribes; and 2) 10 event wagering operator licenses to Indian tribes in Arizona if the Indian tribe receiving a license has signed the most recent tribal-state gaming compact and any applicable appendices or amendments.

The ADG must only issue an event wagering operator license, for an applicant other than an Indian tribe, to: 1) an Arizona professional sports team or franchise; 2) the operator of a sports facility that hosts an annual tournament on the PGA Tour; 3) the promoter of a national association for stock car auto racing national touring race conducted in Arizona; or 4) the owner's, operator's or promoter's designee contracted to operate both retail event wagering at a sports facility or complex and mobile event wagering throughout Arizona.

A license issued by the ADG authorizes the event wagering operator to offer event wagering in Arizona through: 1) an event wagering facility within a prescribed radius of a sports facility depending on proximity to Indian lands; and 2) event wagering through a mobile platform as specified by the ADG. An event wagering license may not be renewed if it is determined by the ADG that the event wagering operator has not substantially complied with statutes governing the operation of event wagering (A.R.S. § 5-1304).

A *sports facility* includes a facility owned by a commercial, state or local government or quasi-governmental entity that hosts professional sports events and holds a seating capacity of more than 10,000 persons at its primary facility (A.R.S. § 5-1301).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

- 1. Allows the ADG to issue or renew an event wagering operator license to a professional sports team licensee or applicant if all of the following apply:
 - a) the licensee's or applicant's professional sports team is currently hosting professional sports events in a temporary sports facility located in Arizona with a seating capacity of fewer than 10,000 persons;
 - the professional sports team's primary sports facility requires construction or maintenance or the professional sports team is in the process of constructing a new primary sports facility; and
 - c) the licensee or applicant holds an event wagering operator license on the general effective date.
- 2. Makes technical and conforming changes.
- 3. Becomes effective on the general effective date.

Amendments Adopted by Committee

• Adopted the strike-everything amendment.

Amendments Adopted by Committee of the Whole

- 1. Allows, rather than requires, the ADG to issue or renew an event wagering operator license to a professional sports team licensee or applicant that hosts sports events at a temporary sports facility as outlined.
- 2. Eliminates the specifications that the licensee or applicant qualifies under the temporary sports facility authorization if the facility does not meet the statutory definition of *sports facility* but the licensee or applicant meets all other event wagering requirements.
- 3. Allows a professional sports team to be in the process of constructing, rather than constructing, a new primary sports facility to qualify for the license issuance or renewal under the temporary sports facility authorization.
- 4. Eliminates the authorization for a licensee licensed under the temporary sports facility authorization to advertise on and within the premises of the licensee's temporary sports facility.

Revision

• Removes the House of Representatives vote information relating to the legislation prior to adoption of the strike-everything amendment.

Senate Action

APPROP 3/29/22 DPA/SE 7-2-1

Prepared by Senate Research April 29, 2022 JT/sr